

TRANSIT TRUST FUND

	Actual FY2003-04	Adopted FY2004-05	Estimated FY2004-05	Adopted FY2005-06	Change
Revenues					
Interest and Rental Income	\$ 23,782	\$ 95,594	\$ 95,594	\$ 68,773	-28.1%
Transfers from Other Funds	410,358	-	-	-	-
Appropriation from Fund Balance	796,044	786,358	786,358	1,200,000	52.6%
Total Revenues	\$ 1,230,184	\$ 881,952	\$ 881,952	\$ 1,268,773	43.9%
Appropriations					
Transfers to Other Funds	\$ 1,230,184	\$ 881,952	\$ 881,952	\$ 1,268,773	43.9%
Transfer to Fund Balance	-	-	-	-	-
Total Appropriations	\$ 1,230,184	\$ 881,952	\$ 881,952	\$ 1,268,773	43.9%

FUND DESCRIPTION

The City took over transit system operations from Duke Power Company in January 1991. The agreement between Duke Power and the City included a donation from Duke Power to the City in the amount of \$9,929,238. After purchasing equipment and paying for operating costs in FY 1990-91, \$9,000,000 remained in the fund. This amount was reserved as the Transit Trust Reserve. Interest income earned is dedicated to the Transit Fund and helps fund operating costs in that Fund. As of June 2002, the Transit Trust Fund balance was \$9,600,896 including interest. The Transit Trust Fund also serves as a reserve for the Transit Fund. Annual operating savings and budgeted transfers from the Transit Fund provide the Transit Fund with a source of funds for unexpected costs, service enhancements and as an operating reserve.

In FY 2002-03, Council approved a transfer of \$5,955,539 from the Transit Trust Fund in an effort to decrease the General Fund transfer to the Transit Fund. Another \$960,000 was utilized during FY 2002-03 as a local 10% match to obtain grant funding for 31 new replacement buses. A transfer of \$1,230,184, inclusive of interest, was provided to the Transit Fund for FY 2003-04.

During FY 2003-04, a transfer of \$410,358 was made into the fund from transit operations. These funds were utilized for the FY 2004-05 transit operations budget. A transfer of \$376,000 from the fund was also included in the FY 2004-05 budget to provide for transit operations. As a result, the remaining balance of the Transit Trust Fund was approximately \$1,200,000 at the end of the 2004-05 fiscal year. That remaining balance of \$1,200,000 will be utilized for transit operations in the FY 2005-06 budget.

REVENUE DESCRIPTIONS

Investment Income - This income is derived from interest bearing financial instruments.

Transfer from Other Funds - This is income from the repayment of loans made to other funds in the past.

Appropriation from Fund Balance - This is income transferred from the Transit Trust Fund.

EXPENDITURE DESCRIPTIONS

Transfer to the Transit Fund - This revenue represents investment income earned by the Transit Trust Fund that is dedicated to Transit Fund operations.

Transfers to Reserves - This represents amounts retained in the funds and placed in reserve.